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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
Telephone Number Portability) CC Docket No. 95-116
) RM 8535
)

To: The Commission

COMMENTS OF UTC
ON
PETITIONS FOR RECONSIDERATION/CLARIFICATION

Pursuant to Section 1.429 of the Federal Communications Commission's (Commission) Rules, UTC, The Telecommunications Association (UTC),¹ hereby submits its comments in response to various petitions for reconsideration and/or clarification of the Commission's *Third Report and Order (Third R&O)*² in the above-captioned proceeding. UTC supports the reconsideration and clarification of three aspects of the FCC's telephone number portability rules. UTC agrees with petitioners recommending that the FCC reconsider imposing nine (9) local number portability charges per PBX trunk, and instead impose only one charge per PBX trunk. UTC also agrees that the Commission should provide for oversight of regional database

¹ UTC was formerly known as the Utilities Telecommunications Council.

² FCC 98-82, released May 12, 1998.

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211

administration costs by those contributing to the funding of these databases. Finally, UTC supports rules requiring a standardized label for number portability charges on end-user bills.

I. Introduction

UTC is the national representative on communications matters for the nation's electric, gas, water and steam utilities, and natural gas pipelines. UTC also represents other organizations that use communications to support essential public service obligations. UTC's members range in size from large combination electric-gas-water utilities which serve millions of customers, to smaller, rural electric cooperatives and water districts which serve only a few thousand customers each. Serving on UTC's Board of Directors are representatives from the following associations:

- American Gas Association
- American Public Power Association
- American Water Works Association
- Association of Edison Illuminating Companies
- Edison Electric Institute
- Interstate Natural Gas Association of America
- National Rural Electric Cooperative Association

UTC's members are some of the nation's largest end-users of telecommunications services. Collectively, UTC's members purchase a variety telecommunications services from virtually all local exchange carriers throughout the US. Utilities and pipelines also own and operate private branch exchanges (PBX) equipment. UTC's members are therefore substantially affected by the Commission's local number portability rules.

II. The Commission Should Impose Only One Number Portability Charge on Each PBX Trunk

UTC supports the recommendations of numerous petitioners that the FCC reconsider the application of the number portability charges to PBXs.³ Under the rules established in the *Third R&O*, LECs will be allowed to assess one monthly number portability charge per line, except that each PBX trunk must be assessed nine monthly number portability charges and each primary rate integrated digital services digital network line (PRI ISDN line) will be assessed five charges. The FCC's rules regarding the imposition of these charges are based on previous Commission decisions that found that each PBX trunk provides, on average, the equivalent service capacity of nine Centrex lines, and each PRI ISDN provides the equivalent of five Centrex lines.

However, as noted by numerous petitioners, the Commission has misapplied Commission precedent regarding Centrex and PBX trunk lines in this proceeding. BellSouth Corporation (BellSouth) correctly explains that the essential mistake made by the Commission was to disrupt the relationship between PBX trunk and single business line rates.⁴ In the Commission's decision regarding the imposition of the presubscribed interexchange carrier charge (PICC),⁵ the Commission set the PBX trunk rate equal to the rate for a single business line. The Centrex rate was set at 1/9th the PBX PICC rate, or 1/9th of the single business line rate. Instead of applying

³ See Ameritech's *Petition for Expedited Reconsideration and Clarification* (filed July 29, 1998); BellSouth Corporation's *Petition for Reconsideration* (filed July 29, 1998); US West Inc.'s *Petition for Reconsideration* (filed July 29, 1998); Bell Atlantic's *Petition for Reconsideration* (filed July 29, 1998).

⁴ BellSouth *Petition for Reconsideration* at p. 3.

⁵ *Second Order on Reconsideration and Memorandum Opinion and Order*, 12 FCC Rcd 16606 (1997).

this same relationship, the FCC has proportionately increased both Centrex and PBX rates. As BellSouth notes, the Commission's imposition of number portability charges "will inflate the charges to multiline end-user customers of PBX and Centrex services to an unreasonably high level."⁶

Bell Atlantic notes in its *Petition for Reconsideration* that the Commission's change from one charge per PBX trunk for the PICC to nine charges per PBX trunk for number portability charges also destroys the relationship that the Commission previously established for PRI ISDN lines.⁷ Whereas under the PICC rules an ISDN line was charged five times the rate of a PBX trunk, the number portability rules would require ISDN lines to pay only 5/9ths as much as much as PBX trunks.

In its *Petition for Expedited Reconsideration and Clarification*, Ameritech also urges the Commission to reduce the number portability charges for PBX trunks, noting that the Commission's rules would require PBX customers to pay a disproportionate share of the number portability costs.⁸ UTC agrees with Ameritech that the Commission in its *Third R&O* "did not make any finding that PBX customers should make a disproportionate contribution to the costs of number portability, nor did it find any cost justification for forcing PBX customers to pay multiple number portability monthly charges."⁹

⁶ BellSouth *Petition for Reconsideration* at p. 3.

⁷ Bell Atlantic *Petition for Reconsideration* at p. 2 n. 5.

⁸ Ameritech *Petition for Expedited Reconsideration and Clarification* at pp.8-11.

⁹ *Id.* at p. 9.

UTC therefore urges the Commission to reduce the number portability charge for PBX trunks.

III. The Commission Should Provide for Oversight of Regional Database Administration Costs by Those Funding the Database

While UTC generally supports the framework adopted by the Commission to implement long-term number portability, UTC believes that all appropriate steps should be taken to ensure that the costs associated with this service are minimized. UTC therefore supports the comments of the Personal Communications Industry Association (PCIA) in its *Petition for Clarification* that the Commission provide greater specificity as to which database administration costs are recoverable and permit for financial oversight of the regional database administrators.¹⁰ UTC agrees with PCIA's assessment that providing more guidance as to recoverable costs and financial oversight will "protect telecommunications carriers and ultimately their customers from excessive number portability costs."¹¹

IV. The Commission Should Require the Use of a Standardized Label for Number Portability Charges on End-User Bills

UTC also supports the recommendation of the State of Florida State Public Service Commission (FPSC) that local exchange carriers be required to apply a standardized label for the end-user number portability charge.¹² UTC agrees with FPSC that the myriad of new charges appearing on telecommunications bills has confused consumers. While UTC has taken steps to

¹⁰ PCIA *Petition for Clarification* at pp. 3-4.

¹¹ *Id.* at p. 3.

¹² FPSC *Petition for Clarification* at p. 2.

educate its members on the new charges, this task is difficult in the absence of standard labels.

Moreover, those UTC members that are customers of multiple LECs are faced with even greater complexity, as each LEC bill may contain a different description of the same type of charge.

UTC therefore urges the Commission to adopt the FPSC's recommendation that all LECs apply a standard label such as "Federal Number Portability Charge".

WHEREFORE, THE PREMISES CONSIDERED, UTC requests the Federal Communications Commission to take action in accordance with the views expressed in these comments.

Respectfully submitted,

UTC, The Telecommunications Association

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Dated: September 3, 1998

CERTIFICATE OF SERVICE

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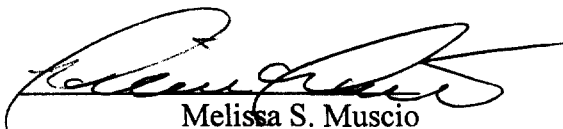
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